agricultural producers who have suffered economic loss due to a natural disaster or other economic conditions, should be funded.

Mr. CRAIG. Mr. President, I rise to submit a resolution of critical importance to our Nation's cattle producers. The beef industry assistance resolution is designed to address the short-term problems that plague the cattle industry because of the prolonged down cycle of the beef market.

A number of my colleagues share my concerns, and I am pleased to announce that original cosponsors of this resolution are Senator MAX BAUCUS, Senator CHUCK GRASSLEY, Senator LARRY PRESSLER, Senator PETE DOMENICI, Senator CONRAD BURNS, Senator DIRK KEMPTHORNE, and Senator CRAIG THOMAS.

As a former rancher, I have a firsthand understanding of the challenges that face the cattle industry. The prolonged down cycle is especially troubling because it affects the livelihoods of thousands of ranching families in Idaho and across the country.

These beef producers are the largest sector of Idaho and American agriculture. Over 1 million families raise over 100 million head of beef cattle every year. This contributes over $36 billion to local economies. Even with the extended cycle of low prices, direct cash receipts from the Idaho cattle industry were almost $620 million in 1995. These totals only represent direct sales; they do not capture the multiplier effect that cattle ranches have in their local economies from expenditures on labor, feed, fuel, property taxes, and other inputs.

Over the years, cattle operations have provided a decent living and good way of life in exchange for long days, hard work, and dedication. While the investment continues to be high, the returns have been low in recent years.

The problems facing the cattle industry in recent years are complex. The nature of the market dictates that stable consumption combined with increased productivity and growing herd size yield lower prices to producers. This, combined with high feed prices and limited export opportunities, has caused a near crisis.

Many Idahoans have contacted me on this issue. Some suggest the Federal Government intervene in the market to help producers. However, many others have expressed fear that Federal intervention, if experience is any indication, will only complicate matters and may also create a number of unintended results. I tend to agree with the latter. Time and again, I have seen lawmakers and bureaucrats in Washington, DC, albeit well-intentioned, take a difficult situation and make it worse. This does not mean that I believe Government has no role to play. I have supported and will continue to support measures of proven value. However, I will continue to follow this situation closely with the hope that free market forces will, in the long run, aid in making cattle producers more efficient, productive, and profitable.

The cattle industry is part of a complex, long-term cycle; however, there are producers who might not survive the short term consequences. The beef industry assistance resolution addresses a number of these short-term issues. These are issues that were raised at a hearing of the Agriculture Committee that I chaired a few weeks ago.

The resolution has five sections—antitrust monitoring, market reporting, private sector self-regulation, recognition of barriers to international trade, and emergency loan guarantees.

Section 1 encourages the Secretary of Agriculture and Department of Justice to increase the monitoring of mergers and acquisitions in the beef industry. Investigation of possible barriers in the beef packing sector for new firms and with other commodities is encouraged.

Section 2 directs the Secretary of Agriculture to expedite the reporting of existing beef categories and add additional categories. These categories include contract, formula and live cash cattle prices and boxed beef prices. The Secretary is also encouraged to increase the frequency of captive supply cattle from every 14 to 7 days. I am especially interested in the improved reporting of all beef and live cattle exports and imports. The second section also directs the Secretary to capture data on a previously unrecorded segment of the market—away from home consumption. While this market consumes approximately half of the Nation's beef production, very little is known about it.

Section 3 encourages two very important measures within the private sector. First, meat packing companies are encouraged to fully utilize a grid pricing structure which will provide producers with a more complete picture for the particular type of the cattle they produce. Second, agricultural lenders are encouraged to consider the total asset portfolio, not just cashflow, when evaluating this year's beef loans. Even the best operators will have great difficulty cash-flowing a cattle outfit because of the prolonged period of low prices.

Section 4 recognizes a number of barriers to international trade that adversely affect American beef producers. The section is meant to elevate the importance of all trade issues and specifically references the elimination of the European Union hormone ban and animal health barriers between the United States and Canada.

Section 5 recommends that emergency loan guarantees be made available to agricultural lenders with cattle industry loans. I am disappointed that the President zeroed out funding for this program in his fiscal year 1997 proposal. I have heard from a number of lenders that a high number of loans are questionable for this fall.

The beef industry assistance resolution is a measure designed to provide immediate, short-term solutions to some of the serious problems facing the cattle industry. I know that a number of my colleagues have legislation pending in regard to the cattle market. I would comment that I see this resolution as a starting point, not an ending point for cattle industry issues.

## AMENDMENTS SUBMITTED

### THE SMALL BUSINESS JOB PROTECTION ACT OF 1996

### ROTH (AND OTHERS) AMENDMENT NO. 4436

Mr. ROTH (for himself, Mr. MOYNIHAN, Mr. LOTT, and Mr. DASCHLE) proposed an amendment to the bill (H.R. 3448) to provide tax relief for small businesses, to protect jobs, to create opportunities, to increase the take-home pay of workers, and for other purposes; as follows:

On page 243, strike lines 9 through 11, and insert:

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendment made by this section shall apply to taxable years beginning after December 31, 1986.

(2) TRANSITIONAL RULE.—If—

(A) for purposes of applying part III of subchapter F of chapter 1 of the Internal Revenue Code of 1986 to any taxable year beginning before January 1, 1987, an agricultural or horticultural organization did not treat any portion of membership dues received by it as income derived in an unrelated trade or business, and

(B) such organization had a reasonable basis for not treating such dues as income derived in an unrelated trade or business,

then, for purposes of applying such part III to any such taxable year, in no event shall any portion of such dues be treated as derived in an unrelated trade or business.

(3) REASONABLE BASIS.—For purposes of paragraph (2), an organization shall be treated as having a reasonable basis for not treating membership dues as income derived in an unrelated trade or business if the taxpayer's treatment of such dues was in reasonable reliance on any of the following:

(A) Judicial precedent, published rulings, technical advice with respect to the organization, or a letter ruling to the organization.

(B) A past Internal Revenue Service audit of the organization in which there was no assessment attributable to the reclassification of membership dues for purposes of the tax on unrelated business income.

(C) Long-standing recognized practice of agricultural or horticultural organizations.

On page 246, strike lines 1 through 3, and insert:

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to remuneration paid—

(A) after December 31, 1994, and

(B) after December 31, 1984, and before January 1, 1995, unless the payor treated such remuneration (when paid) as being subject to tax under chapter 21 of the Internal Revenue Code of 1986.

(2) REPORTING REQUIREMENT.—The amendment made by subsection (a)(1)(C) shall apply to remuneration paid after December 31, 1996.

On page 256, line 2, strike the quotation marks.

On page 256, between lines 2 and 3, insert the following:

''(5) PRESERVATION OF PRIOR PERIOD SAFE HARBOR.—If—

''(A) an individual would (but for the treatment referred to in subparagraph (B)) be deemed not to be an employee of the taxpayer under subsection (a) for any prior period, and

''(B) such individual is treated by the taxpayer as an employee for employment tax purposes for any subsequent period,

then, for purposes of applying such taxes for such prior period with respect to the taxpayer, the individual shall be deemed not to be an employee.

''(6) SUBSTANTIALLY SIMILAR POSITION.—For purposes of this section, the determination as to whether an individual holds a position substantially similar to a position held by another individual shall include consideration of the relationship between the taxpayer and such individuals.''

On page 257, between lines 5 and 6, insert the following:

**SEC. 1123. TREATMENT OF HOUSING PROVIDED TO EMPLOYEES BY ACADEMIC HEALTH CENTERS.**

(a) IN GENERAL.—Paragraph (4) of section 119(d) (relating to lodging furnished by certain educational institutions to employees) is amended to read as follows:

''(4) EDUCATIONAL INSTITUTION.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'educational institution' means—

''(i) an institution described in section 170(b)(1)(A)(ii), or

''(ii) an academic health center.

''(B) ACADEMIC HEALTH CENTER.—For purposes of subparagraph (A), the term 'academic health center' means an entity—

''(i) which is described in section 170(b)(1)(A)(iii),

''(ii) which receives (during the calendar year in which the taxable year of the taxpayer begins) payments under subsection (d)(5)(B) or (h) of section 1886 of the Social Security Act (relating to graduate medical education), and

''(iii) which has as one of its principal purposes or functions the providing and teaching of basic and clinical medical science and research with the entity's own faculty.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1995.

On page 268, lines 8 and 9, strike ''December 31, 1996'' and insert ''December 31, 1997''.

On page 269, strike line 10, and insert:

''(B) after December 31, 1997.

Notwithstanding the preceding sentence, in the case of a taxpayer making an election under subsection (c)(4) for its first taxable year beginning after June 30, 1996, and before July 1, 1997, this section shall apply to amounts paid or incurred during such first taxable year and the first 6 months of the succeeding taxable year.''

On page 272, line 22, strike ''June 30, 1997'' and insert ''December 31, 1997''.

On page 273, between lines 6 and 7, insert:

(3) ESTIMATED TAX.—The amendments made by this section shall not be taken into account under section 6654 or 6655 of the Internal Revenue Code of 1986 (relating to failure to pay estimated tax) in determining the amount of any installment required to be paid before October 1, 1996.

On page 274, line 11, strike ''June 30, 1997'' and insert ''December 31, 1997''.

On page 276, line 20, strike ''June 30, 1997'' and insert ''December 31, 1997''.

On page 277, line 6, strike ''January 1, 1998'' and insert ''January 1, 1999''.

On page 277, line 16, strike ''(a) IN GENERAL.—''.

On page 277, lines 23 and 24, strike ''after June 30, 1996, and before July 1, 1997'' and insert ''beginning on the date which is 7 days after the date of the enactment of the Small Business Job Protection Act of 1996 and ending on December 31, 1997''.

On page 277, strike lines 25 and 26, and insert the following:

**SEC. 1208. EXTENSION OF TRANSITION RULE FOR CERTAIN PUBLICLY TRADED PARTNERSHIPS.**

(a) IN GENERAL.—Subparagraph (B) of section 10211(c)(1) of the Revenue Act of 1987 (Public Law 100–203) is amended by striking ''December 31, 1997'' and inserting ''December 31, 1999''.

(b) CONFORMING AMENDMENT.—Subparagraph (C)(i) of section 10211(c)(2) of the Revenue Act of 1987, as added by section 2004(f)(2) of the Technical and Miscellaneous Revenue Act of 1988, is amended by striking ''December 31, 1997'' and inserting ''December 31, 1999''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of section 10211 of the Revenue Act of 1987.

On page 303, strike lines 1 through 23, and insert the following:

''(e) SPECIAL RULES APPLICABLE TO S CORPORATIONS.—If an organization described in section 1361(c)(7) holds stock in an S corporation—

''(1) such interest shall be treated as an interest in an unrelated trade or business; and

''(2) notwithstanding any other provision of this part, all items of income, loss, deduction, or credit taken into account under section 1366(a) and any gain or loss on the disposition of the stock in the S corporation shall be taken into account in computing the unrelated business taxable income of such organization.''

On page 383, strike lines 3 through 15, and insert the following:

**SEC. 1451. MISSING PARTICIPANTS.**

(a) IN GENERAL.—Section 4050 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1350) is amended by redesignating subsection (c) as subsection (e) and by inserting after subsection (b) the following new subsections:

''(c) MULTIEMPLOYER PLANS.—The corporation shall prescribe rules similar to the rules in subsection (a) for multiemployer plans covered by this title that terminate under section 4041A.

''(d) PLANS NOT OTHERWISE SUBJECT TO TITLE.—

''(1) TRANSFER TO CORPORATION.—The plan administrator of a plan described in paragraph (4) may elect to transfer a missing participant's benefits to the corporation upon termination of the plan.

''(2) INFORMATION TO THE CORPORATION.—To the extent provided in regulations, the plan administrator of a plan that makes the election described in paragraph (1) shall, upon termination of the plan, provide the corporation information with respect to benefits of a missing participant.

''(3) PAYMENT BY THE CORPORATION.—If benefits of a missing participant were transferred to the corporation under paragraph (1), the corporation shall, upon location of the participant or beneficiary, pay to the participant or beneficiary the amount transferred (or the appropriate survivor benefit) either—

''(A) in a single sum (plus interest), or

''(B) in such other form as is specified in regulations of the corporation.

''(4) PLANS DESCRIBED.—A plan is described in this paragraph if—

''(A) the plan is a pension plan (within the meaning of section 3(2))—

''(i) to which the provisions of this section do not apply (without regard to this subsection), and

''(ii) which is not a plan described in paragraphs (2) through (11) of section 4021(b), and

''(B) at the time the assets are to be distributed upon termination, the plan—

''(i) has missing participants, and

''(ii) has not provided for the transfer of assets to pay the benefits of all missing participants to another pension plan (within the meaning of section 3(2)).

''(5) CERTAIN PROVISIONS NOT TO APPLY.—Subsections (a)(1) and (a)(3) shall not apply to a plan described in paragraph (4).''

(b) CONFORMING AMENDMENTS.—

(1) Section 206(f) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056(f)) is amended—

(A) by striking ''title IV'' and inserting ''section 4050'', and

(B) by striking ''the plan shall provide that''.

(2) Section 401(a)(34) (relating to benefits of missing participants on plan termination) is amended by striking ''title IV'' and inserting ''section 4050''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions made after final regulations implementing subsections (c) and (d) of section 4050 of the Employee Retirement Income Security Act of 1974 (as added by subsection (a)), respectively, are prescribed.

On page 393, after line 24, add the following:

**SEC. 1459. ALTERNATIVE NONDISCRIMINATION RULES FOR CERTAIN PLANS THAT PROVIDE FOR EARLY PARTICIPATION.**

(a) CASH OR DEFERRED ARRANGEMENTS.—Paragraph (3) of section 401(k) (relating to application of participation and discrimination standards), as amended by section 1433(d)(1) of this Act, is amended by adding at the end the following new subparagraph:

''(F) SPECIAL RULE FOR EARLY PARTICIPATION.—If an employer elects to apply section 410(b)(4)(B) in determining whether a cash or deferred arrangement meets the requirements of subparagraph (A)(i), the employer may, in determining whether the arrangement meets the requirements of subparagraph (A)(ii), exclude from consideration all eligible employees (other than highly compensated employees) who have not met the minimum age and service requirements of section 410(a)(1)(A).''

(b) MATCHING CONTRIBUTIONS.—Paragraph (5) of section 401(m) (relating to employees taken into consideration) is amended by adding at the end the following new subparagraph:

''(C) SPECIAL RULE FOR EARLY PARTICIPATION.—If an employer elects to apply section 410(b)(4)(B) in determining whether a plan meets the requirements of section 410(b), the employer may, in determining whether the plan meets the requirements of paragraph (2), exclude from consideration all eligible employees (other than highly compensated employees) who have not met the minimum age and service requirements of section 410(a)(1)(A).''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 1998.

**SEC. 1460. MODIFICATIONS OF JOINT AND SURVIVOR ANNUITY REQUIREMENTS.**

(a) AMENDMENTS TO INTERNAL REVENUE CODE.—Section 417(b) is amended—

(1) by striking ''For'' and inserting:

''(1) IN GENERAL.—'',

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and

(3) by adding at the end the following new paragraph:

''(2) ELECTION OF 66⅔ PERCENT SURVIVOR ANNUITY.—

''(A) IN GENERAL.—In the case of any plan with respect to which the survivor annuity under a qualified joint and survivor annuity

is not equal to 66⅔ percent of the amount of the annuity which is payable during the joint lives of the participant and the spouse, such plan shall not be treated as meeting the requirements of section 401(a)(11) unless the participant may elect a qualified joint and survivor annuity with a survivor annuity which is equal to 66⅔ percent of such amount.

''(B) TREATMENT OF ANNUITY.—If a participant elects a survivor annuity under subparagraph (A), such annuity shall be treated as a qualified joint and survivor annuity for purposes of this title (other than subsection (c)(1)(A)).''

(b) AMENDMENTS TO ERISA.—Subsection (d) of section 205 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1055) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively,

(2) by inserting ''(1)'' after ''(d)'', and

(3) by adding at the end the following new paragraph:

''(2)(A) In the case of any plan with respect to which the survivor annuity under a qualified joint and survivor annuity is not equal to 66⅔ percent of the amount of the annuity which is payable during the joint lives of the participant and the spouse, such plan shall not be treated as meeting the requirements of subsection (a) unless the participant may elect a qualified joint and survivor annuity with a survivor annuity which is equal to 66⅔ percent of such amount.

''(B) If a participant elects a survivor annuity under subparagraph (A), such annuity shall be treated as a qualified joint and survivor annuity for purposes of this title (other than subsection (e)(1)(A)).''

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after December 31, 1996.

(2) SPECIAL RULE FOR EXISTING PLANS.—In the case of a plan in existence on the date of the enactment of this Act, the amendments made by this section shall apply to any plan year following the first plan year with respect to which the first plan amendment adopted after such date of enactment takes effect.

**SEC. 1461. CLARIFICATION OF APPLICATION OF ERISA TO INSURANCE COMPANY GENERAL ACCOUNTS.**

(a) IN GENERAL.—Section 401 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1101) is amended by adding at the end the following new subsection:

''(c)(1)(A) Not later than December 31, 1996, the Secretary shall issue proposed regulations to provide guidance for the purpose of determining, in cases where an insurer issues 1 or more policies to or for the benefit of an employee benefit plan (and such policies are supported by the assets of such insurer's general account), which assets of the insurer (other than plan assets held in its separate accounts) constitute assets of the plan for purposes of this part and section 4975 of the Internal Revenue Code of 1986.

''(B) The proposed regulations under subparagraph (A) shall be subject to public notice and comment until March 31, 1997.

''(C) The Secretary shall issue final regulations providing the guidance described in subparagraph (A) not later than June 30, 1997.

''(2) In issuing regulations under paragraph (1), the Secretary—

''(A) subject to subparagraph (C), may exclude any assets of the insurer with respect to its operations, products, or services from treatment as plan assets,

''(B) shall provide that assets not treated as plan assets under subsection (b)(2) shall not be treated as plan assets under paragraph (1), and

''(C) shall ensure that the regulations—

''(i) are administratively feasible, and

''(ii) are designed to protect the interests and rights of the plan and of its participants and beneficiaries.

''(3)(A) Subject to subparagraph (B), any regulations issued under paragraph (1) shall not take effect before the date on which such regulations become final.

''(B) No person shall be subject to liability under this part or section 4975 of the Internal Revenue Code of 1986 for conduct which occurred before the date which is 18 months following the date described in subparagraph (A) on the basis of a claim that the assets of an insurer (other than plan assets held in a separate account) constitute assets of the plan, except—

''(i) as otherwise provided by the Secretary in regulations intended to prevent avoidance of the regulations issued under paragraph (1), or

''(ii) as provided in an action brought by the Secretary pursuant to subsection (a) (2) or (5) of section 502 for a breach of fiduciary responsibilities which would also constitute a violation of Federal criminal law or constitute a felony under applicable State law.

''(4) Nothing in this subsection shall preclude the application of any Federal criminal law.

''(5) For purposes of this subsection, the term 'policy' includes a contract.''

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by this section shall take effect on January 1, 1975.

(2) CIVIL ACTIONS.—The amendment made by this section shall not apply to any civil action commenced before November 7, 1995.

**SEC. 1462. SPECIAL RULES FOR CHAPLAINS AND SELF-EMPLOYED MINISTERS.**

(a) IN GENERAL.—Section 414(e) (defining church plan) is amended by adding at the end the following new paragraph:

''(5) SPECIAL RULES FOR CHAPLAINS AND SELF-EMPLOYED MINISTERS.—

''(A) CERTAIN MINISTERS MAY PARTICIPATE.—For purposes of this part—

''(i) IN GENERAL.—An employee of a church or a convention or association of churches shall include a duly ordained, commissioned, or licensed minister of a church who, in connection with the exercise of his or her ministry—

''(I) is a self-employed individual (within the meaning of section 401(c)(1)(B)), or

''(II) is employed by an organization other than an organization described in section 501(c)(3).

''(ii) TREATMENT AS EMPLOYER AND EMPLOYEE.—

''(I) SELF-EMPLOYED.—A minister described in clause (i)(I) shall be treated as his or her own employer which is an organization described in section 501(c)(3) and which is exempt from tax under section 501(a).

''(II) OTHERS.—A minister described in clause (i)(II) shall be treated as employed by an organization described in section 501(c)(3) and exempt from tax under section 501(a).

''(B) SPECIAL RULES FOR APPLYING SECTION 403(b) TO SELF-EMPLOYED MINISTERS.—In the case of a minister described in subparagraph (A)(i)(I)—

''(i) the minister's includible compensation under section 403(b)(3) shall be determined by reference to the minister's earned income (within the meaning of section 401(c)(2)) from such ministry rather than the amount of compensation which is received from an employer, and

''(ii) the years (and portions of years) in which such minister was a self-employed individual (within the meaning of section 401(c)(1)(B)) with respect to such ministry shall be included for purposes of section 403(b)(4).

''(C) EFFECT ON NON-DENOMINATIONAL PLANS.—If a duly ordained, commissioned, or licensed minister of a church in the exercise of his or her ministry participates in a church plan (within the meaning of this section) and is employed by an employer not eligible to participate in such church plan, then such minister shall not be treated as an employee of such employer for purposes of applying sections 401(a)(3), 401(a)(4), and 401(a)(5), as in effect on September 1, 1974, and sections 401(a)(4), 401(a)(5), 401(a)(26), 401(k)(3), 401(m), 403(b)(1)(D) (including section 403(b)(12)), and 410 to any stock bonus, pension, profit-sharing, or annuity plan (including an annuity described in section 403(b) or a retirement income account described in section 403(b)(9)).''

(b) CONTRIBUTIONS BY CERTAIN MINISTERS TO RETIREMENT INCOME ACCOUNTS.—Section 404(a) (relating to deduction for contributions of an employer to an employees' trust or annuity plan and compensation under a deferred-payment plan) is amended by adding at the end the following new paragraph:

''(10) CONTRIBUTIONS BY CERTAIN MINISTERS TO RETIREMENT INCOME ACCOUNTS.—In the case of contributions made by a minister described in section 414(e)(5) to a retirement income account described in section 403(b)(9) and not by a person other than such minister, such contributions—

''(A) shall be treated as made to a trust which is exempt from tax under section 501(a) and which is part of a plan which is described in section 401(a), and

''(B) shall be deductible under this subsection to the extent such contributions do not exceed the limit on elective deferrals under section 402(g), the exclusion allowance under section 403(b)(2), or the limit on annual additions under section 415.

For purposes of this paragraph, all plans in which the minister is a participant shall be treated as one plan.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 1996.

**SEC. 1463. DEFINITION OF HIGHLY COMPENSATED EMPLOYEE FOR PRE-ERISA CHURCH PLANS.**

(a) IN GENERAL.—Section 414(q) (defining highly compensated employee), as amended by section 1431(c)1(A) of this Act, is amended by adding at the end the following new paragraph:

''(7) CERTAIN EMPLOYEES NOT CONSIDERED HIGHLY COMPENSATED AND EXCLUDED EMPLOYEES UNDER PRE-ERISA CHURCH PLANS.—In the case of a church plan (as defined in subsection (e)), no employee shall be considered an officer, a person whose principal duties consist in supervising the work of other employees, or a highly compensated employee for any year unless such employee is a highly compensated employee under paragraph (1) for such year.''

(b) SAFEHARBOR AUTHORITY.—The Secretary of the Treasury may design nondiscrimination and coverage safe harbors for church plans.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to years beginning after December 31, 1996.

**SEC. 1464. RULE RELATING TO INVESTMENT IN CONTRACT NOT TO APPLY TO FOREIGN MISSIONARIES.**

(a) IN GENERAL.—The last sentence of section 72(f) is amended by inserting '', or to the extent such credits are attributable to services performed as a foreign missionary (within the meaning of section 403(b)(2)(D)(iii))'' before the end period.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1996.

**SEC. 1465. INCREASE IN GUARANTEED AMOUNT OF MULTIEMPLOYER PLAN BENEFITS.**

(a) IN GENERAL.—Section 4022A(c) of the Employee Retirement Income Security Act of 1974 is amended by adding at the end the following new paragraph:

''(7)(A) In the case of a multiemployer plan which first receives financial assistance (within the meaning of section 4261) during the applicable period—

''(i) paragraph (1) shall be applied with respect to the guarantee of benefits under such plan by substituting '$11' for '$5' each place it appears and by substituting '$33' for '$15', and

''(ii) paragraphs (2), (5), and (6) shall not apply with respect to such plan.

''(B) For purposes of subparagraph (A), the applicable period is the period—

''(i) beginning on the date of the enactment of this paragraph, and

''(ii) ending on the last day of the first fiscal year for which the surplus in the corporation's multiemployer insurance program is less than 50 percent of such surplus for the fiscal year ending September 30, 1995.

''(C) For purposes of subparagraph (B), the surplus for any fiscal year shall be the surplus reflected in the Statement of Financial Condition for the fiscal year contained in the corporation's annual report, except that the assumptions used in computing such surplus shall be the same as those used for the fiscal year ending September 30, 1995.''

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

**SEC. 1466. WAIVER OF EXCISE TAX ON FAILURE TO PAY LIQUIDITY SHORTFALL.**

(a) IN GENERAL.—Section 4971(f) (relating to failure to pay liquidity shortfall) is amended by adding at the end the following new paragraph:

''(4) WAIVER BY SECRETARY.—If the taxpayer establishes to the satisfaction of the Secretary that—

''(A) the liquidity shortfall described in paragraph (1) was due to reasonable cause and not willful neglect, and

''(B) reasonable steps have been taken to remedy such liquidity shortfall,

the Secretary may waive all or part of the tax imposed by this subsection.''

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the amendment made by clause (ii) of section 751(a)(9)(B) of the Retirement Protection Act of 1994 (108 Stat. 5020).

On page 394, line 1, strike ''**1459**'' and insert ''**1467**''.

On page 417, lines 5 and 6, strike ''after June 30 in calendar year 1996, and in calendar years after 1996'' and insert ''in calendar years after 1995''.

On page 417, line 11, strike ''take effect on July 1, 1996'' and insert ''apply with respect to sales occurring after the date which is 7 days after the date of the enactment of this Act''.

On page 421, line 7, strike ''December 31, 1996'' and insert ''April 15, 1997''.

On page 421, lines 11 and 12, strike ''December 31, 1996'' and insert ''April 15, 1997''.

On page 421, line 21, strike ''December 31, 1996'' and insert ''April 15, 1997''.

On page 422, line 2, strike ''January 1, 1997'' and insert ''April 16, 1997''.

On page 422, line 7, strike ''January 1, 1997'' and insert ''April 16, 1997''.

On page 422, lines 18 and 19, strike ''December 31, 1996'' and insert ''April 15, 1997''.

On page 427, line 23, strike ''amendment'' and insert ''amendments''.

On page 438, between lines 19 and 20, insert the following:

**SEC. 1612. ELECTION TO CEASE STATUS AS QUALIFIED SCHOLARSHIP FUNDING CORPORATION.**

(a) IN GENERAL.—Subsection (d) of section 150 (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

''(3) ELECTION TO CEASE STATUS AS QUALIFIED SCHOLARSHIP FUNDING CORPORATION.—

''(A) IN GENERAL.—Any qualified scholarship funding bond, and qualified student loan bond, outstanding on the date of the issuer's election under this paragraph (and any bond (or series of bonds) issued to refund such a bond) shall not fail to be a tax-exempt bond solely because the issuer ceases to be described in subparagraphs (A) and (B) of paragraph (2) if the issuer meets the requirements of subparagraphs (B) and (C) of this paragraph.

''(B) ASSETS AND LIABILITIES OF ISSUER TRANSFERRED TO TAXABLE SUBSIDIARY.—The requirements of this subparagraph are met by an issuer if—

''(i) all of the student loan notes of the issuer and other assets pledged to secure the repayment of qualified scholarship funding bond indebtedness of the issuer are transferred to another corporation within a reasonable period after the election is made under this paragraph;

''(ii) such transferee corporation assumes or otherwise provides for the payment of all of the qualified scholarship funding bond indebtedness of the issuer within a reasonable period after the election is made under this paragraph;

''(iii) to the extent permitted by law, such transferee corporation assumes all of the responsibilities, and succeeds to all of the rights, of the issuer under the issuer's agreements with the Secretary of Education in respect of student loans;

''(iv) immediately after such transfer, the issuer, together with any other issuer which has made an election under this paragraph in respect of such transferee, hold all of the senior stock in such transferee corporation; and

''(v) such transferee corporation is not exempt from tax under this chapter.

''(C) ISSUER TO OPERATE AS INDEPENDENT ORGANIZATION DESCRIBED IN SECTION 501(C)(3).—The requirements of this subparagraph are met by an issuer if, within a reasonable period after the transfer referred to in subparagraph (B)—

''(i) the issuer is described in section 501(c)(3) and exempt from tax under section 501(a);

''(ii) the issuer no longer is described in subparagraphs (A) and (B) of paragraph (2); and

''(iii) at least 80 percent of the members of the board of directors of the issuer are independent members.

''(D) SENIOR STOCK.—For purposes of this paragraph, the term 'senior stock' means stock—

''(i) which participates pro rata and fully in the equity value of the corporation with all other common stock of the corporation but which has the right to payment of liquidation proceeds prior to payment of liquidation proceeds in respect of other common stock of the corporation;

''(ii) which has a fixed right upon liquidation and upon redemption to an amount equal to the greater of—

''(I) the fair market value of such stock on the date of liquidation or redemption (whichever is applicable); or

''(II) the fair market value of all assets transferred in exchange for such stock and reduced by the amount of all liabilities of the corporation which has made an election under this paragraph assumed by the transferee corporation in such transfer;

''(iii) the holder of which has the right to require the transferee corporation to redeem on a date that is not later than 10 years after the date on which an election under this paragraph was made and pursuant to such election such stock was issued; and

''(iv) in respect of which, during the time such stock is outstanding, there is not outstanding any equity interest in the corporation having any liquidation, redemption or dividend rights in the corporation which are superior to those of such stock.

''(E) INDEPENDENT MEMBER.—The term 'independent member' means a member of the board of directors of the issuer who (except for services as a member of such board) receives no compensation directly or indirectly—

''(i) for services performed in connection with such transferee corporation, or

''(ii) for services as a member of the board of directors or as an officer of such transferee corporation.

For purposes of clause (ii), the term 'officer' includes any individual having powers or responsibilities similar to those of officers.

''(F) COORDINATION WITH CERTAIN PRIVATE FOUNDATION TAXES.—For purposes of sections 4942 (relating to the excise tax on a failure to distribute income) and 4943 (relating to the excise tax on excess business holdings), the transferee corporation referred to in subparagraph (B) shall be treated as a functionally related business (within the meaning of section 4942(j)(4)) with respect to the issuer during the period commencing with the date on which an election is made under this paragraph and ending on the date that is the earlier of—

''(i) the last day of the last taxable year for which more than 50 percent of the gross income of such transferee corporation is derived from, or more than 50 percent of the assets (by value) of such transferee corporation consists of, student loan notes incurred under the Higher Education Act of 1965; or

''(ii) the last day of the taxable year of the issuer during which occurs the date which is 10 years after the date on which the election under this paragraph is made.

''(G) ELECTION.—An election under this paragraph may be revoked only with the consent of the Secretary.''

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

**SEC. 1613. CERTAIN TAX BENEFITS DENIED TO INDIVIDUALS FAILING TO PROVIDE TAXPAYER IDENTIFICATION NUMBERS.**

(a) PERSONAL EXEMPTION.—

(1) IN GENERAL.—Section 151 (relating to allowance of deductions for personal exemptions) is amended by adding at the end the following new subsection:

''(e) IDENTIFYING INFORMATION REQUIRED.—No exemption shall be allowed under this section with respect to any individual unless the TIN of such individual is included on the return claiming the exemption.''

(2) CONFORMING AMENDMENTS.—

(A) Subsection (e) of section 6109 is repealed.

(B) Section 6724(d)(3) is amended by adding ''and'' at the end of subparagraph (C), by striking subparagraph (D), and by redesignating subparagraph (E) as subparagraph (D).

(b) DEPENDENT CARE CREDIT.—Subsection (e) of section 21 (relating to expenses for household and dependent care services necessary for gainful employment) is amended by adding at the end the following new paragraph:

''(10) IDENTIFYING INFORMATION REQUIRED WITH RESPECT TO QUALIFYING INDIVIDUALS.—No credit shall be allowed under this section

with respect to any qualifying individual unless the TIN of such individual is included on the return claiming the credit.''

(c) EXTENSION OF PROCEDURES APPLICABLE TO MATHEMATICAL OR CLERICAL ERRORS.—Section 6213(g)(2) (relating to the definition of mathematical or clerical errors) is amended by striking ''and' at the end of subparagraph (D), by striking the period at the end of subparagraph (E) and inserting '', and'', and by inserting at the end the following new subparagraph:

''(F) an omission of a correct TIN required under section 21 (relating to expenses for household and dependent care services necessary for gainful employment) or section 151 (relating to allowance of deductions for personal exemptions).''

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to returns the due date for which (without regard to extensions) is on or after the 30th day after the date of the enactment of this Act.

(2) SPECIAL RULE FOR 1995 AND 1996.—In the case of returns for taxable years beginning in 1995 or 1996, a taxpayer shall not be required by the amendments made by this section to provide a taxpayer identification number for a child who is born after October 31, 1995, in the case of a taxable year beginning in 1995 or November 30, 1996, in the case of a taxable year beginning in 1996.

On page 486, between lines 21 and 22, insert:

(d) COMPARABLE ESTATE AND GIFT TAX TREATMENT.—

(1) ESTATE TAX.—

(A) IN GENERAL.—Subsection (a) of section 2107 is amended to read as follows:

''(a) TREATMENT OF EXPATRIATES.—

''(1) RATE OF TAX.—A tax computed in accordance with the table contained in section 2001 is hereby imposed on the transfer of the taxable estate, determined as provided in section 2106, of every decedent nonresident who is an expatriate if the expatriation date of the decedent is within the 10-year period ending with the date of death, unless such expatriation did not have for 1 of its principal purposes the avoidance of taxes under this subtitle or subtitle A.

''(2) CERTAIN INDIVIDUALS TREATED AS HAVING TAX AVOIDANCE PURPOSE.—For purposes of paragraph (1), an individual shall be treated as having a principal purpose to avoid such taxes if such individual is a covered expatriate.

''(3) DEFINITIONS.—For purposes of this subsection, the terms 'expatriate', 'expatriation date', and 'covered expatriate' have the meanings given such terms by section 877A.''

(B) CREDIT FOR FOREIGN DEATH TAXES.—Subsection (c) of section 2107 is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following new paragraph:

''(2) CREDIT FOR FOREIGN DEATH TAXES.—

''(A) IN GENERAL.—The tax imposed by subsection (a) shall be credited with the amount of any estate, inheritance, legacy, or succession taxes actually paid to any foreign country in respect of any property which is included in the gross estate solely by reason of subsection (b).

''(B) LIMITATIONS ON CREDIT.—The credit allowed by subparagraph (A) for such taxes paid to a foreign country shall not exceed the lesser of—

''(i) the amount which bears the same ratio to the amount of such taxes actually paid to such foreign country in respect of property included in the gross estate as the value of the property included in the gross estate solely by reason of subsection (b) bears to the value of all property subjected to such taxes by such foreign country, or

''(ii) such property's proportionate share of the excess of—

''(I) the tax imposed by subsection (a), over

''(II) the tax which would be imposed by section 2101 but for this section.

The amount applicable under clause (i) or (ii) shall be reduced by the amount of any credit allowed under section 877A(i).

''(C) PROPORTIONATE SHARE.—For purposes of subparagraph (B), a property's proportionate share is the percentage of the value of the property which is included in the gross estate solely by reason of subsection (b) bears to the total value of the gross estate.''

(C) EXPANSION OF INCLUSION IN GROSS ESTATE OF STOCK OF FOREIGN CORPORATIONS.—Paragraph (2) of section 2107(b) is amended by striking ''more than 50 percent of'' and all that follows and inserting ''more than 50 percent of—

''(A) the total combined voting power of all classes of stock entitled to vote of such corporation, or

''(B) the total value of the stock of such corporation,''.

(2) GIFT TAX.—

(A) IN GENERAL.—Paragraph (3) of section 2501(a) is amended to read as follows:

''(3) EXCEPTION.—

''(A) CERTAIN INDIVIDUALS.—Paragraph (2) shall not apply in the case of a donor who is an expatriate if the expatriation date of the donor is within the 10-year period ending with the date of transfer, unless such expatriation did not have for 1 of its principal purposes the avoidance of taxes under this subtitle or subtitle A.

''(B) CERTAIN INDIVIDUALS TREATED AS HAVING TAX AVOIDANCE PURPOSE.—For purposes of subparagraph (A), an individual shall be treated as having a principal purpose to avoid such taxes if such individual is a covered expatriate.

''(C) CREDIT FOR FOREIGN GIFT TAXES.—The tax imposed by this section solely by reason of this paragraph shall be credited with the amount of any gift tax actually paid to any foreign country in respect of any gift which is taxable under this section solely by reason of this paragraph. The amount of such credit shall be reduced by the amount of the credit allowed under section 877A(i).

''(D) DEFINITIONS.—For purposes of this paragraph, the term 'expatriate', 'expatriation date', and 'covered expatriate' have the meanings given such terms by section 877A.''

On page 486, line 22, strike ''(d)'' and insert ''(e)''.

On page 487, line 19, strike ''(e)'' and insert ''(f)''.

On page 487, line 23, strike ''(f)'' and insert ''(g)''.

On page 488, line 21, strike ''(d)(1)'' and insert ''(e)(1)''.

On page 501, strike lines 16 through 25, and redesignate the subsequent paragraphs accordingly.

On page 512, strike lines 1 through 11, and insert:

''(i) EFFECTIVE DATE.—Except as otherwise expressly provided, any amendment made by this section shall take effect as if included in the provision of the Revenue Reconciliation Act of 1990 to which such amendment relates.

On page 521, line 6, strike ''(1)'' and insert ''(1) IN GENERAL.—''.

On page 521, line 13, strike ''(2)'' and insert ''(2) EFFECTIVE DATE.—''.

On page 571, line 5, strike ''contribution to'' and insert ''distribution from''.

## THE TEAMWORK FOR EMPLOYEES AND MANAGEMENT ACT OF 1996

### DORGAN AMENDMENT NO. 4437

Mr. DORGAN proposed an amendment to the bill (S. 295) to permit labor management cooperative efforts that improve America's economic competitiveness to continue to thrive, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ''Teamwork for Employees and Management Act of 1995'';

**SEC. 2. FINDINGS AND PURPOSES.**

(a) FINDINGS.—Congress finds that—

(1) the escalating demands of global competition have compelled an increasing number of American employers to make dramatic changes in work-place and employer-employee relationships;

(2) these changes involve an enhanced role for the employee in workplace decision-making, often referred to as ''employee involvement'', which has taken many forms, including self-managed work teams, quality-of-worklife, quality circles, and joint labor-management committees;

(3) employee involvement structures, which operate successfully in both unionized and non-unionized settings, have been established by over 80 percent of the largest employers of the United States and exist in an estimated 30,000 workplaces;

(4) in addition to enhancing the productivity and competitiveness of American businesses, employee involvement structures have had a positive impact on the lives of those employees, better enabling them to reach their potential in their working lives;

(5) recognizing that foreign competitors have successfully utilized employee involvement techniques, Congress has consistently joined business, labor, and academic leaders in encouraging and recognizing successful employee involvement structures in the workplace through such incentives as the Malcolm Baldrige National Quality Award;

(6) employers who have instituted legitimate employee involvement structures have not done so to interfere with the collective bargaining rights guaranteed by the labor laws, as was the case in the 1930s when employers established deceptive sham ''company unions'' to avoid unionization; and

(7) the prohibition of the National Labor Relations Act against employer domination or interference with the formation or administration of a labor organization has produced uncertainty and apprehension among employers regarding the continued development of employee involvement structures.

(b) PURPOSES.—It is the purpose of this Act to—

(1) protect legitimate employee involvement structures against governmental interference;

(2) preserve existing protections against deceptive, coercive employer practices; and

(3) permit legitimate employee involvement structures where workers may discuss issues involving terms and conditions of employment, to continue to evolve and proliferate.

**SEC. 3. LABOR PRACTICES.**

Section 8 of the National Labor Relations Act (29 U.S.C. 158) is amended by adding at the end thereof the following new subsection:

''(h)(1) The following provisions shall apply with respect to any employees who are not represented by an exclusive representative pursuant to section 9(a) or 8(f):

''(A) It shall not constitute or be evidence of an unfair labor practice under section 8(a)(2) for an employer to meet with the employees as a group, or to meet with each of the employees individually, to share information, to brainstorm, or receive suggestions or opinions from individual employees, with respect to matters of mutual interest, including matters relating to working conditions.